

MC2 MODEL MANAGEMENT GROUP  
1/31/2011

	NEW YORK	MIAMI	ELIMINATIONS	CONSOLIDATED	12/31/2010	Difference	Comment
<b>ASSETS</b>							
<b>CURRENT ASSETS</b>							
CASH	14,883.88	346,324.55		361,208.43	330,026.83	31,181.60	
ACCOUNTS RECEIVABLE - NO RESERVE	886,304.91	808,055.06		1,694,359.97	1,400,207.35	294,152.62	Increase mostly in NY (Mocann Erickson, Revlon)
OTHER RECEIVABLES	61,275.61	10,612.18		71,887.79	77,998.89	(6,111.10)	includes \$57k due from MMG from 2006
PREPAID EXPENSES	3,050.00	10,857.23		13,907.23	-	13,907.23	
DUE FROM MODELS	95,868.87	8,635.93		104,504.80	98,675.76	5,829.04	Advances to models paid through payroll
DUE FROM GROUP COMPANIES		235,703.81	(235,703.81)	-	-	-	interco between Miami and NY
<b>TOTAL CURRENT ASSETS</b>	<b>1,061,383.27</b>	<b>1,420,186.76</b>	<b>(235,703.81)</b>	<b>2,245,868.22</b>	<b>1,906,908.83</b>		
<b>PROPERTY AND EQUIPMENT - NET</b>	<b>78,143.23</b>	<b>57,260.17</b>		<b>135,403.40</b>	<b>128,649.29</b>	<b>6,754.11</b>	Furniture in Miami+ Computer in NY
<b>OTHER ASSETS</b>							
SECURITY DEPOSITS	9,371.00	12,198.00		21,569.00	21,569.00	-	
OTHER ASSETS				-	-	-	
<b>TOTAL OTHER ASSETS</b>	<b>9,371.00</b>	<b>12,198.00</b>	<b>-</b>	<b>21,569.00</b>	<b>21,569.00</b>		
<b>TOTAL ASSETS</b>	<b>1,148,897.50</b>	<b>1,489,646.93</b>	<b>(235,703.81)</b>	<b>2,402,840.62</b>	<b>2,057,127.12</b>	<b>345,713.50</b>	
<b>LIABILITIES AND STOCKHOLDERS EQUITY</b>							
<b>CURRENT LIABILITIES</b>							
ACCOUNTS PAYABLE & ACCRUED EXPENSES	341,873.77	154,281.26		496,155.03	351,467.37	144,687.66	
MODELS PAYABLE	819,951.88	457,912.94		1,277,864.82	1,220,197.35	57,667.47	
DUE TO GROUP COMPANIES	225,632.30	389,128.66	(235,703.81)	379,057.15	389,111.91	(10,054.76)	in Miami includes payables to Next Time and Karin NY
MELLON NOTE	476,795.50	307,802.74		784,598.24	784,598.24	-	
MODELS WITHHOLDING PAYABLE	977,024.57	589,947.71		1,566,972.28	1,584,563.88	(17,591.60)	
MOTHER AGENCY PAYABLE	170,070.72	10,727.61		180,798.33	168,637.38	12,160.95	
				-	-	-	
<b>TOTAL CURRENT LIABILITIES</b>	<b>3,011,348.74</b>	<b>1,909,800.92</b>	<b>(235,703.81)</b>	<b>4,685,445.85</b>	<b>4,498,576.13</b>		
<b>MEMBERS EQUITY (DEFICIT)</b>							
MEMBERS DRAW				-	-	-	
RETAINED (DEFICIT) EARNINGS	(1,862,451.24)	(420,153.99)		(2,282,605.23)	(2,441,449.01)	158,843.78	
<b>TOTAL MEMBERS EQUITY (DEFICIT)</b>	<b>(1,862,451.24)</b>	<b>(420,153.99)</b>	<b>-</b>	<b>(2,282,605.23)</b>	<b>(2,441,449.01)</b>		
<b>TOTAL LIABILITIES AND STOCKHOLDERS (DEFICIT) EQUITY</b>	<b>1,148,897.50</b>	<b>1,489,646.93</b>	<b>(235,703.81)</b>	<b>2,402,840.62</b>	<b>2,057,127.12</b>	<b>345,713.50</b>	

1/31/2011

	1 MONTH ENDING 01/31/2011		
	NEW YORK	MIAMI	CONSOLIDATED
<b>MODEL EARNINGS</b>			
GROSS BILLINGS	\$ 426,785.88	\$ 495,461.80	\$ 922,247.68
MODEL EARNINGS	\$ (292,297.80)	\$ (350,133.75)	\$ (642,431.55)
MOTHER AGENCY FEES	\$ (8,717.28)	\$ (12,621.28)	\$ (21,338.56)
<b>NET MODEL EARNINGS</b>	<u>\$ 125,770.80</u>	<u>\$ 132,706.77</u>	<u>\$ 258,477.57</u>
<b>GROSS MARGIN</b>	29.47%	26.78%	28.03%
<b>OPERATING EXPENSES</b>	<u>\$ 65,164.94</u>	<u>\$ 91,170.72</u>	<u>\$ 156,335.66</u>
<b>OTHER INCOME (EXPENSES)</b>			
MOTHER AGENCY INCOME			\$ -
PRODUCTION INCOME		\$ 20,982.32	\$ 20,982.32
INTEREST EXPENSE	\$ (1,317.47)	\$ (878.32)	\$ (2,195.79)
MISCELLANEOUS INCOME			\$ -
TAX EXPENSE			\$ -
<b>TOTAL OTHER EXPENSES</b>	<u>\$ (1,317.47)</u>	<u>\$ 20,104.00</u>	<u>\$ 18,786.53</u>
<b>NET INCOME (LOSS)</b>	<u>\$ 59,288.39</u>	<u>\$ 61,640.05</u>	<u>\$ 120,928.44</u>
PER TRIAL BALANCE	\$ 59,288.39	\$ 61,640.05	\$ 120,928.44
DIFFERENCE	\$ 0.00	\$ -	\$ (0.00)

Internal Reporting

EFTA01116006

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**1/31/2011**

	<b>1 MONTHS ENDING 01/31/2011</b>		
	<b>NEW YORK</b>	<b>MIAMI</b>	<b>CONSOLIDATED</b>
SALARIES	22,694.00	33,703.40	56,397.40
PAYROLL TAXES	3,268.21	4,558.58	7,826.79
EMPLOYEE BENEFITS	(131.50)	(789.00)	(920.50)
RENT	5,450.00	8,457.23	13,907.23
UTILITIES	1,534.83		1,534.83
OFFICE CLEANING, R& M	863.47	500.00	1,363.47
MODEL EXPENSES	1,996.05	4,732.12	6,728.17
EQUIPMENT		1,251.51	1,251.51
DUES & SUBSCRIPTIONS			-
DONATIONS			-
ADVERTISING & PROMO			-
TELEPHONE	3,361.59	1,436.39	4,797.98
PROFESSIONAL FEES		4,606.25	4,606.25
EQUIPMENT LEASES		685.51	685.51
TRAVEL AND ENTERTAINMENT	11,141.20	16,291.40	27,432.60
SCOUTING EXPENSES	9,072.71	4,825.06	13,897.77
INTERNET & MISC COMPUTER EXPENSES		844.94	844.94
OFFICE SUPPLIES AND EXPENSE	2,937.41	2,079.26	5,016.67
POSTAGE & DELIVERY		320.10	320.10
INSURANCE	318.71	4,242.15	4,560.86
STATIONARY & PRINTING	386.85	386.31	773.16
STORAGE		594.92	594.92
MOVING EXPENSES			-
CORPORATE CAR & APARTMENT	52.81	29.52	82.33
OUTSIDE SERVICES	2,080.00	1,450.00	3,530.00
BANK, MERCHANT AND PAYROLL FEES	138.60	965.07	1,103.67
DEPRECIATION			-
MISCELLANEOUS			-
	<u>65,164.94</u>	<u>91,170.72</u>	<u>156,335.66</u>

Internal Reporting